

LEGISLATIVE AND OVERSIGHT ACTIVITIES DURING THE
113TH CONGRESS BY THE SENATE COMMITTEE ON
VETERANS' AFFAIRS

OCTOBER 21, 2015.—Ordered to be printed

Mr. ISAKSON, from the Committee on Veterans' Affairs,
submitted the following

R E P O R T

Pursuant to paragraph 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Veterans' Affairs (hereinafter, "Committee") submits its report on legislative and oversight activities during the 113th Congress.

I. HEARINGS AND MEETINGS

A. First Session (2013)

During the First Session of the 113th Congress, the Committee held 17 hearings, including two field hearings. At those events the Committee heard testimony from 75 witnesses.

Three hearings (May 9, June 12, and October 30) focused exclusively on legislation pending before the Committee. Testimony offered at these hearings covered 94 bills.

The Committee held two business meetings.

On July 24, eight measures were ordered reported out of the Committee and, on November 19, six measures were ordered reported out of the Committee. The Committee held one meeting to discharge nominations.

Of primary focus for the Committee this session was mental health care for the newest generation of veterans and those of previous eras. To that end, the Committee held two hearings, including one field hearing, in order to better understand the mental health needs of veterans. These hearings were held on March 20 and August 7 (field hearing).

The Committee held five joint hearings with the House Committee on Veterans' Affairs in order to receive legislative presentations from veterans service organizations. These hearings were

held on February 26, February 28, March 5, March 6, and September 10.

The Committee held 2 field hearings during the First Session. These hearings were held on August 7 in Atlanta, Georgia, and August 26 in Anchorage, Alaska. The field hearing in Atlanta focused exclusively on mental health program management at the Department of Veterans Affairs (hereinafter, "VA"). The hearing in Anchorage focused on benefits and services available to veterans in Alaska.

B. Second Session (2014)

During the Second Session of the 113th Congress, the Committee held 15 hearings, including one field hearing, as well as one Conference Committee Meeting to resolve differences in bills passed by the House and Senate. At the hearings, the Committee heard testimony from 61 witnesses.

The Committee held three meetings to discharge nominations.

The Committee continued its focus on veterans' mental health care needs and held two hearings on topics related to mental health on April 30 and November 19. However, during the Second Session the primary focus of the Committee was veterans' access to health care. To that end, the Committee held four hearings, May 15, July 16, August 19 (field hearing), and September 9 on the state of VA health care with an intense focus on access to timely health care services.

The Committee held one field hearing during the Second Session. That hearing was held on August 19 in Honolulu, Hawaii, and focused on the state of VA health care in Hawaii.

The Committee held five joint hearings with the House Committee on Veterans' Affairs in order to receive legislative presentations from veterans service organizations. These hearings were held on February 25, March 5, March 6, March 12, and March 26.

C. List of Hearings and Meetings Held in the 113th Congress

(1) Tuesday, February 26, 2013

Joint Hearing with the House of Representatives to receive the legislative presentation of the Disabled American Veterans

(2) Thursday, February 28, 2013

Joint Hearing with the House of Representatives to receive the legislative presentation of Iraq and Afghanistan Veterans of America, Military Order of the Purple Heart, Blinded Veterans Association, Military Officers Association of America, Non Commissioned Officers Association, The Retired Enlisted Association, American Ex-Prisoners of War, and the Wounded Warrior Project

(3) Tuesday, March 5, 2013

Joint Hearing with the House of Representatives to receive the legislative presentation of the Veterans of Foreign Wars

(4) Wednesday, March 6, 2013

Joint Hearing with the House of Representatives to receive the legislative presentation of AMVETS, Air Force Sergeants Association, Paralyzed Veterans of America, Jewish War Veterans, Gold Star Wives, Fleet Reserve Association, Vietnam Veterans of America, National Guard Association of the United States, and the National Association of the State Directors of Veterans Affairs

(5) Wednesday, March 13, 2013

Hearing: VA Claims Process: Review of VA's Transformation Efforts

(6) Wednesday, March 20, 2013

Hearing: VA Mental Health Care: Ensuring Timely Access to High-Quality Care

(7) Monday, April 15, 2013

Hearing: The Fiscal Year 2014 Budget for Veterans' Programs

(8) Wednesday, April 24, 2013

Hearing: Call to Action: VA Outreach and Community Partnerships

(9) Thursday, May 9, 2013

Legislative Hearing: Pending Health Care Legislation:

S. 49, Veterans Health Equity Act of 2013

S. 62, Check the Box for Homeless Veterans Act of 2013

S. 131, Woman Veterans and Other Health Care Improvements Act of 2013

S. 229, Corporal Michael J. Crescenz Act of 2013

S. 287, a bill to amend title 38, United States Code, to expand the definition of homeless veteran for purposes of benefits under the laws administered by the Secretary of Veterans Affairs, and for other purposes

S. 325, a bill to amend title 38, United States Code, to increase the maximum age for children eligible for medical care under the CHAMPVA program, and for other purposes

S. 412, Keep Our Commitment to Veterans Act

S. 422, Chiropractic Care Available to All Veterans Act of 2013

S. 455, a bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to transport individuals to and from facilities of the Department of Veterans Affairs in connection with rehabilitation, counseling, examination, treatment, and care, and for other purposes

S. 522, Wounded Warrior Workforce Enhancement Act

S. 529, a bill to amend title 38, United States Code, to modify the commencement date of the period of service at Camp Lejeune, North Carolina, for eligibility for hospital care and medical services in connection with exposure to contaminated water, and for other purposes

S. 543, VISN Reorganization Act of 2013

S. 633, a bill to amend title 38, United States Code, to provide for coverage under the beneficiary travel program of the Department of Veterans Affairs of certain disabled veterans for travel in connection with certain special disabilities rehabilitation, and for other purposes

S. 800, Tetro Garza Far South Texas Veterans Inpatient Act of 2013

S. 825, Homeless Veterans Prevention Act of 2013

S. 832, Improving the Lives of Children with Spina Bifida Act of 2013

S. 845, a bill to amend title 38, United States Code, to improve the Department of Veterans Affairs Health Professionals Educational Assistance Program and for other purposes

S. 851, Caregiver Expansion and Improvement Act of 2013

S. 852, Veterans Health Promotion Act of 2013

S. 877, Veterans Affairs Research Transparency Act of 2013

(10) Wednesday, June 12, 2013

Legislative Hearing: Pending Benefits Legislation:

S. 6, Putting Our Veterans Back to Work Act of 2013

S. 200, a bill to amend title 38, United States Code, to authorize the interment in national cemeteries under the control of the National Cemetery Administration of individuals who served in combat support of the Armed Forces in the Kingdom of Laos between February 28, 1961, and May 15, 1975, and for other purposes

S. 257, GI Bill Tuition Fairness Act of 2013

S. 262, Veterans Education Equity Act of 2013

S. 294, Ruth Moore Act of 2013

S. 373, Charlie Morgan Military Spouses Equal Treatment Act of 2013

S. 430, Veterans Small Business Opportunity and Protection Act of 2013

S. 492, a bill to amend title 38, United States Code, to require States to recognize the military experience of veterans when issuing licenses and credentials to veterans, and for other purposes

S. 495, Careers for Veterans Act of 2013

S. 514, a bill to amend title 38, United States Code, to provide additional educational assistance under Post-9/11 Educational Assistance to veterans pursuing a degree in science, technology, engineering, math, or an area that leads to employment in a high-demand occupation, and for other purposes

S. 515, a bill to amend title 38, United States Code, to extend the Yellow Ribbon G.I. Education Enhancement Program to cover recipients of Marine Gunnery Sergeant John David Fry scholarship, and for other purposes

S. 572, Veterans Second Amendment Protection Act

S. 629, Honor America's Guard-Reserve Retirees Act of 2013

S. 674, Accountability for Veterans Act of 2013

S. 690, Filipino Veterans Fairness Act of 2013

S. 695, Veterans Paralympic Act of 2013

S. 705, War Memorial Protection Act of 2013

S. 735, Survivor Benefits Improvement Act of 2013

S. 748, Veterans Pension Protection Act

S. 778, a bill to authorize the Secretary of Veterans Affairs to issue cards to veterans that identify them as veterans, and for other purposes.

S. 819, Veterans Mental Health Treatment First Act of 2013

S. 863, Veterans Back to School Act of 2013

S. 868, Filipino Veterans Promise Act

S. 889, Servicemembers' Choice in Transition Act of 2013

S. 893, Veterans' Compensation Cost-of-Living Adjustment Act of 2013

S. 894, a bill to amend title 38, United States Code, to extend expiring authority for work-study allowances for individuals who are pursuing programs of rehabilitation, education, or training under laws administered by the Secretary of Veterans Affairs, to expand such authority to certain outreach services provided through congressional offices, and for other purposes

S. 922, Veterans Equipped for Success Act of 2013

S. 927, Veterans' Outreach Act of 2013

S. 928, Claims Processing Improvement Act of 2013

S. 930, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs, in cases of overpayments of educational assistance under Post-9/11 Educational Assistance, to deduct amounts for repayment from the last months of educational assistance entitlement, and for other purposes

S. 932, Putting Veterans Funding First Act of 2013

S. 935, Quicker Veterans Benefits Delivery Act of 2013

S. 938, Franchise Education for Veterans Act of 2013

S. 939, a bill to amend title 38, United States Code, to treat certain misfiled documents as motions for reconsideration of decisions by the Board of Veterans' Appeals, and for other purposes

S. 944, Veterans' Educational Transition Act of 2013

S. 1039, Spouses of Heroes Education Act

S. 1042, Veterans Legal Support Act of 2013

S. 1058, Creating a Reliable Environment for Veterans' Dependents Act

(11) Wednesday, July 24, 2013

Business Meeting: Mark-up of Pending Legislation

- S. 944 (Committee Print), Veterans Health and Benefits Improvement Act of 2013, to improve the provision of medical services and benefits to veterans, and for other purposes

- S. 893, Veterans' Compensation Cost-of-Living Adjustment Act of 2013, to provide for an increase, effective December 1, 2013, in the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and for other purposes

- S. 572, Veterans Second Amendment Protection Act, to amend title 38, United States Code, to clarify the conditions under which certain persons may be treated as adjudicated mentally incompetent for certain purposes

- S. 373 (Committee Print), Charlie Morgan Military Spouses Equal Treatment Act of 2013, to amend title 38, United States Code, to add a definition of spouse for purposes of veteran benefits that recognizes new State definitions of spouse

- S. 287 (Committee Print), Helping Homeless Veterans Act of 2013, to amend title 38, United States Code, to improve assistance to homeless veterans, and for other purposes

- S. 131 (Committee Print), Women Veterans and Other Health Care Improvements Act of 2013, to amend title 38, United States Code, to improve the reproductive assistance provided by the Department of Veterans Affairs to severely wounded, ill, or injured veterans and their spouses, and for other purposes

- S. 6 (Committee Print), Putting Our Veterans Back to Work Act of 2013, to reauthorize the VOW to Hire Heroes Act of 2011, to improve enforcement of employment and reemployment rights of members of the uniformed services, and for other purposes

- S. 851, Caregivers Expansion and Improvement Act of 2013, to amend title 38, United States Code, to extend to all veterans with a serious service-connected injury eligibility to participate in the family caregiver services program

(12) Wednesday, July 31, 2013

Hearing: Preserving the Rights of Servicemembers, Veterans and Their Families in the Financial Marketplace

(13) Wednesday, August 7, 2013

Field Hearing, Atlanta, Georgia: Ensuring Veterans Receive the Care They Deserve: Addressing VA Mental Health Program Management

(14) Monday, August 26, 2013

Field Hearing, Anchorage, Alaska: The State of Veterans Services in Alaska

(15) Tuesday, September 10, 2013

Joint Hearing with the House of Representatives to receive the legislative presentation of The American Legion

(16) Wednesday, October 30, 2013

Legislative Hearing: Pending Health and Benefits Legislation

S. 875, Department of Veterans Affairs Disease Reporting and Oversight Act of 2013

S. 1148, Veterans Benefits Claims Faster Filing Act

S. 1155, Rural Veterans Mental Health Care Improvement Act

S. 1165, Access to Appropriate Immunizations for Veterans Act of 2013

S. 1211, a bill to amend title 38, United States Code, to prohibit the use of the phrases GI Bill and Post-9/11 GI Bill to give a false impression of approval or endorsement by the Department of Veterans Affairs

S. 1216, Improving Job Opportunities for Veterans Act of 2013

S. 1262, Veterans Conservation Corps Act of 2013

S. 1281, Veterans and Servicemembers Employment Rights and Housing Act of 2013

S. 1295, a bill to amend title 38, United States Code, to require the Secretary of Veterans Affairs to provide veterans with notice, when veterans electronically file claims for benefits under laws administered by the Secretary, that relevant services may be available from veterans service organizations, and for other purposes

S. 1296, Servicemembers Electronic Health Records Act of 2013

S. 1361, World War II Merchant Mariner Service Act

S. 1399, a bill to amend the Servicemembers Civil Relief Act to extend the interest rate limitation on debt entered into during military service to debt incurred during military service to consolidate or refinance student loans incurred before military service

S. 1411, Rural Veterans Health Care Improvement Act of 2013

S. 1434, a bill to designate the Junction City Community-Based Outpatient Clinic located at 715 Southwind Drive, Junction City, Kansas, as the Lieutenant General Richard J. Seitz Community-Based Outpatient Clinic

S. 1471, Alicia Dawn Koehl Respect for National Cemeteries Act

S. 1540, a bill to amend title 38, United States Code, to include contracts and grants for residential care for veterans in

the exception to the requirement that the Federal Government recover a portion of the value of certain projects

S. 1547, a bill to require the Secretary of Veterans Affairs to review the dialysis pilot program implemented by the Department of Veterans Affairs and submit a report to Congress before expanding that program, and for other purposes

S. 1556, a bill to amend title 38, United States Code, to modify authorities relating to the collective bargaining of employees in the Veterans Health Administration

S. 1558, a bill to require the Secretary of Veterans Affairs to carry out a program of outreach for veterans, and for other purposes

S. 1559, Benefits Fairness for Filipino Veterans Act of 2013

S. 1573, Military Family Relief Act

S. 1576, a bill to redesignate the Department of Veterans Affairs Healthcare System located at 10000 Bay Pines Boulevard in Bay Pines, Florida, as the "C.W. Bill Young Department of Veterans Affairs Medical Center."

S. 1578, Medical Foster Home Act of 2013

S. 1579, SCRA Enhancement and Improvement Act of 2013

S. 1580, Ensuring Safe Shelter for Homeless Veterans Act of 2013

S. 1581, Survivors of Military Sexual Assault and Domestic Abuse Act of 2013

S. 1582, Improved Compensation for Hearing Loss Act of 2013

S. 1583, Mental Health Support for Veteran Families and Caregivers Act of 2013

S. 1584, a bill to amend title 38, United States Code, to provide replacement automobiles for certain disabled veterans and members of the Armed Forces, and for other purposes

S. 1585, a bill to amend title 38, United States Code, to update the Service-Disabled Insurance program to base premium rates on the Commissioners 2001 Standard Ordinary Mortality table instead of the Commissioners 1941 Standard Ordinary Table of Mortality

S. 1586, Enhanced Dental Care for Veterans Act of 2013

S. 1588, a bill to amend title 38, United States Code, to expand eligibility for reimbursement for emergency medical treatment to certain veterans that were unable to receive care from the Department of Veterans Affairs in the 24-month period preceding the furnishing of such emergency treatment

S. 1589, Improving Quality of Care Within the Department of Veterans Affairs Act of 2013

S. 1602, Toxic Exposure Research and Military Family Support Act of 2013

S. 1604, Veterans Health Care Eligibility Expansion and Enhancement Act of 2013

(17) Wednesday, November 6, 2013

Hearing: Nominations of Sloan D. Gibson, Nominee for Deputy Secretary of Veterans Affairs, Linda A. Schwartz, Nominee for Assistant Secretary of Veterans Affairs for Policy and Planning, and Constance B. Tobias, Nominee for Chairman, Board of Veterans' Appeals

(18) Tuesday, November 19, 2013

Business Meeting: Pending Nominations and Mark-up of Pending Legislation

Nominations: Nomination of Sloan D. Gibson, Nominee for Deputy Secretary of Veterans Affairs, Linda A. Schwartz, Nominee for Assistant Secretary of Veterans Affairs for Policy and Planning, and Constance B. Tobias, Nominee for Chairman, Board of Veterans' Appeals. A hearing for these nominations was held on November 6, 2013. The Gibson and Schwartz nominations were ordered reported favorably by the Committee on November 19, 2013.

Mark-up of Pending Legislation:

- S. 932 (Committee Print), Putting Veterans Funding First Act of 2013
- S. 1262 (Committee Print), Veterans Conservation Corps Act of 2013
- S. 1556, a bill to amend title 38, United States Code, to modify authorities relating to the collective bargaining of employees in the Veterans Health Administration
- S. 1581 (Committee Print), Veterans Programs Improvements Act of 2013
- S. 1593 (Committee Print), SCRA Enhancement and Improvement Act of 2013
- S. 1604 (Committee Print), Veterans Health Care Expansion Act of 2013

(19) Wednesday, December 11, 2013

Hearing: VA Claims System: Review of VA's Transformation Progress

(20) Tuesday, February 25, 2014

Joint Hearing with the House of Representatives to receive the legislative presentation of Disabled American Veterans

(21) Wednesday, March 5, 2014

Joint Hearing with the House of Representatives to receive the legislative presentation of the Veterans of Foreign Wars

(22) Thursday, March 6, 2014

Joint Hearing with the House of Representatives to receive the legislative presentation of the National Guard Association of the United States, National Association of State Directors of Veterans Affairs, Vietnam Veterans of America, Jewish War Veterans of the USA, AMVETS, Military Order of the Purple Heart, The Retired Enlisted Association, Military Officers Association of America, and the Blinded Veterans Association

(23) Wednesday, March 12, 2014

Joint Hearing with the House of Representatives to receive the legislative presentation of Air Force Sergeants Association, American Ex-Prisoners of War, Fleet Reserve Association, Gold Star Wives, Iraq and Afghanistan Veterans of America, Non Commissioned Officers Association, Paralyzed Veterans of America, Wounded Warrior Project

(24) Wednesday, March 12, 2014

Hearing: The Fiscal Year 2015 Budget for Veterans' Programs

(25) Wednesday, March 26, 2014

Joint Hearing with the House of Representatives to receive the legislative presentation of The American Legion

(26) Wednesday, April 30, 2014

Hearing: Overmedication: Problems and Solutions

(27) Thursday, May 15, 2014

Hearing: The State of VA Health Care
 (28) Tuesday, June 24, 2014
 Conference Committee Meeting with the House Conference Committee
 (29) Wednesday, July 16, 2014
 Hearing: The State of VA Health Care
 (30) Tuesday, July 22, 2014
 Nomination Hearing on Robert A. McDonald to be Secretary of Veterans Affairs
 (31) Wednesday, July 23, 2014
 Business Meeting: Pending Nomination of Robert McDonald to be Secretary of Veterans Affairs. The nomination was ordered reported favorably by the Committee on July 23, 2014.
 (32) Tuesday August 19, 2014
 Field Hearing: The State of VA Health Care in Hawaii
 (33) Tuesday, September 9, 2014
 Hearing: The State of VA Health Care
 (34) Wednesday, November 19, 2014
 Hearing: Mental Health and Suicide Among Veterans
 (35) Wednesday, December 3, 2014
 Hearing: Hepatitis C in Veterans
 (36) Thursday, December 4, 2014
 Nomination Hearing on Leigh A. Bradley to be General Counsel, Department of Veterans Affairs
 (37) Monday, December 8, 2014
 Business Meeting: Nomination of Leigh A. Bradley to be General Counsel, Department of Veterans Affairs. The nomination was reported favorably by the Committee on December 8, 2014.

II. LEGISLATION

A. *First Session (2013)*

In the First Session, the Committee met in open session on July 24, 2013, and ordered reported eight pieces of legislation to the full Senate.

1. S. 944, the Veterans Health and Benefits Improvement Act of 2013, to improve the provision of medical services and benefits to veterans, and for other purposes. This measure was introduced in the Senate on May 14, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute on July 24, 2013. Senate Report 113—123 was filed on December 9, 2013.

2. S. 893, the Veterans' Compensation Cost-of-Living Adjustment Act of 2013, to provide for an increase, effective December 1, 2013, in the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans, and for other purposes. This measure was introduced in the Senate on May 8, 2013, and the Committee ordered it to be favorably reported on July 24, 2013. Senate Report 113—87 was filed on September 4, 2013. The measure was passed by the Senate on October 28, 2013, and referred to the House Committee on Veterans' Affairs on October 29, 2013. The measure was passed by the House on November 12, 2013, and signed into law as Public Law 113—52 on November 21, 2013.

3. S. 572, the Veterans Second Amendment Protection Act, to amend title 38, United States Code, to clarify the conditions under which certain persons may be treated as adjudicated mentally incompetent for certain purposes. This measure was introduced in the Senate on March 14, 2013, and the Committee ordered it favorably reported on July 24, 2013. Senate Report 113–86 was filed on August 1, 2013. No further action was taken on this bill in the 113th Congress.

4. S. 373, the Charlie Morgan Military Spouses Equal Treatment Act of 2013, to amend titles 10, 32, 37, and 38, of the United States Code, to add a definition of spouse for purposes of veteran benefits that recognizes new State definitions of spouse. This measure was introduced in the Senate on February 14, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute on July 24, 2013. No further action was taken on this bill in the 113th Congress.

5. S. 287, the Helping Homeless Veterans Act of 2013, to amend title 38, United States Code, to improve assistance to homeless veterans, and for other purposes. This measure was introduced in the Senate on February 12, 2013, and the Committee ordered it favorably reported on July 24, 2013. Senate Report 113–110 was filed on September 23, 2013. The measure passed the Senate on November 6, 2013, and referred to the House Committee on Veterans' Affairs on November 12, 2013. No further action was taken on this bill in the 113th Congress.

6. S. 131, the Women Veterans and Other Health Care Improvements Act of 2013, to amend title 38, United States Code, to improve the reproductive assistance provided by the Department of Veterans Affairs to severely wounded, ill, or injured veterans and their spouses, and for other purposes. This measure was introduced in the Senate on January 24, 2013, and the Committee ordered it reported July 24, 2013. Senate Report 113–106 was filed on September 17, 2013. No further action was taken on this bill in the 113th Congress.

7. S. 6, the Putting Our Veterans Back to Work Act of 2013, to reauthorize the VOW to Hire Heroes Act of 2011, to improve enforcement of employment and reemployment rights of members of the uniformed services, and for other purposes. This measure was introduced in the Senate on January 22, 2014, and the Committee ordered it to be reported with an amendment in the nature of a substitute on July 24, 2013. No further action was taken on this bill in the 113th Congress.

8. S. 851, the Caregivers Expansion and Improvement Act of 2013, to amend title 38, United States Code, to extend to all veterans with a serious service-connected injury eligibility to participate in the family caregiver services program. This measure was introduced in the Senate on April 25, 2013, and the Committee ordered it favorably reported on July 24, 2013. Senate Report 113–107 was filed on September 17, 2013. No further action was taken on this bill in the 113th Congress.

Also, the Committee met in open session on November 19, 2013, and ordered reported six pieces of legislation to the full Senate.

1. S. 932, the Putting Veterans Funding First Act of 2013, to amend title 38, United States Code, to provide for advance appropriations for certain discretionary accounts of the Department of

Veterans Affairs. This measure was introduced in the Senate on May 13, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute on November 19, 2013. No further action was taken on this bill in the 113th Congress.

2. S. 1262, the Veterans Conservation Corps Act of 2013, to require the Secretary of Veterans Affairs to establish a veterans conservation corps, and for other purposes. The measure was introduced in the Senate on June 27, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute on November 19, 2013. No further action was taken on this bill in the 113th Congress.

3. S. 1556, a bill to amend title 38, United States Code, to modify authorities relating to the collective bargaining of employees in the Veterans Health Administration. The measure was introduced in the Senate on September 27, 2013, and the Committee ordered it to be reported without amendment favorably on November 19, 2013. No further action was taken on this bill in the 113th Congress.

4. S. 1581, the Survivors of Military Sexual Assault and Domestic Abuse Act of 2013, to authorize the Secretary of Veterans Affairs to provide counseling and treatment for sexual trauma to members of the Armed Forces, to require the Secretary to screen veterans for domestic abuse, to require the Secretary to submit reports on military sexual trauma and domestic abuse, and for other purposes. This measure was introduced in the Senate on October 28, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute favorably on November 19, 2013. No further action was taken on this bill in the 113th Congress.

5. S. 1593, the Servicemember Housing Protection Act of 2013, to amend the Servicemembers Civil Relief Act to enhance the protections accorded to servicemembers and their spouses with respect to mortgages, and for other purposes. This measure was introduced in the Senate on October 28, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute favorably on November 19, 2013. No further action was taken on this bill in the 113th Congress.

6. S. 1604, the Veterans Health Care Expansion and Enhancement Act of 2013, to amend title 38, United States Code, to expand and enhance eligibility for health care and services through the Department of Veterans Affairs, and for other purposes. This measure was introduced in the Senate on October 29, 2013, and the Committee ordered it to be reported with an amendment in the nature of a substitute favorably on November 19, 2013. No further action was taken on this bill in the 113th Congress.

In addition, during the first session the Committee discharged by unanimous consent several pieces of legislation, as follows:

1. H.R. 1412, Department of Veterans Affairs Expiring Authorities Act of 2013, was reported with amendment by the House Committee on Veterans' Affairs on May 17, 2013. It passed the House on May 21, 2013. The measure was discharged by the Senate Committee on Veterans' Affairs by unanimous consent on September 23, 2013, and passed the Senate that same day with an amendment and an amendment to the title by unanimous consent. The

House agreed to the Senate amendment on September 27, 2013. It was signed into law as Public Law 113–37 on September 30, 2013.

2. H.R. 3302, to name the Department of Veterans Affairs medical center in Bay Pines, Florida, as the “C.W. Bill Young Department of Veterans Affairs Medical Center,” passed the House on October 22, 2013. It was discharged by the Senate Committee on Veterans’ Affairs by unanimous consent on October 31, 2013, and passed the Senate that same day. It was signed into law as Public Law 113–49 on November 13, 2013.

B. Second Session (2014)

In the Second Session, the Committee did not meet to report legislation to the full Senate.

However, during the Second Session the Committee discharged several bills and resolutions by unanimous consent, as follows:

1. S. 1434, a bill to designate the Junction City Community-Based Outpatient Clinic located at 715 Southwind Drive, Junction City, Kansas, as the Lieutenant General Richard J. Seitz Community-Based Outpatient Clinic, was discharged on January 14, 2014, and passed the Senate without amendment by unanimous consent on that same day. The measure passed the House on December 8, 2014, and was signed into law as Public Law 113–231 on December 16, 2014.

2. S. 2921, a bill to designate the community based outpatient clinic of the Department of Veterans Affairs located at 310 Home Boulevard in Galesburg, Illinois, as the “Lane A. Evans VA Community Based Outpatient Clinic,” was discharged on December 3, 2014, and passed the Senate without amendment by unanimous consent on December 3, 2014. The House passed the bill on December 8, 2014, and the measure was signed into law as Public Law 113–234 on December 16, 2014.

3. S. 2258, Veterans’ Compensation Cost-of-Living Adjustment Act of 2014, was discharged on September 11, 2014, and passed the Senate that same day by unanimous consent. The measure passed the House on September 16, 2014, and was signed into law as Public Law 113–181 on September 26, 2014.

4. S. 2822, the Dignified Internment of Our Veterans Act of 2014, was discharged on December 10, 2014, and passed the Senate without amendment by unanimous consent that same day. No further action was taken in the 113th Congress.

5. S.Res. 479, a resolution recognizing Veterans Day 2014 as a special “Welcome Home Commemoration” for all who have served in the military since September 14, 2001, was discharged from the Committee and passed the Senate on September 18, 2014.

6. H.R. 1216, to designate the Department of Veterans Affairs Vet Center in Prescott, Arizona, as the “Dr. Cameron McKinley Department of Veterans Affairs Vet Center,” passed the House on June 17, 2014. It was discharged by the Senate Committee on Veterans’ Affairs by unanimous consent on July 9, 2014. It passed the Senate that same day. It was signed into law as Public Law 113–168 on July 25, 2014.

7. H.R. 3375, to designate the community-based outpatient clinic of the Department of Veterans Affairs to be constructed at 3141 Centennial Boulevard, Colorado Springs, Colorado, as the “PFC Floyd K. Lindstrom Department of Veterans Affairs Clinic,” passed

the House on June 17, 2014. It was discharged by the Senate Committee on Veterans' Affairs on December 3, 2014, and passed the Senate that same day. It was signed into law as Public Law 113–215 on December 16, 2014.

8. H.R. 3682, to designate the community based outpatient clinic of the Department of Veterans Affairs located at 1961 Premier Drive in Mankato, Minnesota, as the “Lyle C. Pearson Community Based Outpatient Clinic,” passed the House on June 17, 2014. It was discharged by the Senate Committee on Veterans' Affairs by unanimous consent on December 3, 2014, and it passed the Senate that same day. It was signed into law as Public Law 113–217 on December 16, 2014.

9. H.R. 4276, the Veterans Traumatic Brain Injury Care Improvement Act of 2014, was reported with amendment by the House Committee on Veterans' Affairs on September 15, 2014, and passed the House on September 16, 2014. It was discharged by the Senate Committee on Veterans' Affairs on December 15, 2014, and passed the Senate that same day. It was signed into law as Public Law 113–257 on December 18, 2014.

10. H.R. 4199, to name the Department of Veterans Affairs medical center in Waco, Texas, as the “Doris Miller Department of Veterans Affairs Medical Center,” passed the House on June 17, 2014. It was discharged by unanimous consent by the Senate Committee on Veterans' Affairs on December 9, 2014, and passed the Senate that same day. It was signed into law as Public Law 113–256 on December 18, 2014.

11. S. Res. 506, a resolution recognizing the patriotism and contributions of auxiliaries of veterans service organizations was introduced on July 17, 2014. This measure was discharged from the Committee and agreed to in the Senate on September 16, 2014.

C. Reports

S. 131, the Women Veterans and Other Health Care Improvements Act of 2013. Senate Report 113–106.

S. 287, the Helping Homeless Veterans Act of 2013. Senate Report 113–110.

S. 572, the Veterans Second Amendment Protection Act. Senate Report 113–86.

S. 851, the Caregivers Expansion and Improvement Act of 2013. Senate Report 113–107.

S. 893, the Veterans' Compensation Cost-of-Living Adjustment Act of 2013. Senate Report 113–87.

S. 944, the Veterans Health and Benefits Improvement Act of 2013. Senate Report 113–123.

D. Public Laws

Senate Vehicle

S. 229, the Corporal Michael J. Crescenz Act of 2013, is Public Law 113–230.

S. 893, the Veterans' Compensation Cost-of-Living Adjustment Act of 2013, is Public Law 113–52.

S. 1434, a bill to designate the Junction City Community-Based Outpatient Clinic located at 715 Southwind Drive, Junction City,

Kansas, as the Lieutenant General Richard J. Seitz Community-Based Outpatient Clinic, is Public Law 113–231.

S. 1471, the Alicia Dawn Koehl Respect for National Cemeteries Act, is Public Law 113–65.

S. 2258, the Veterans’ Cost-of-Living Adjustment Act of 2014, is Public Law 113–181.

S. 2921, a bill to designate the community based outpatient clinic of the Department of Veterans Affairs located at 310 Home Boulevard in Galesburg, Illinois, as the “Lane A. Evans VA Community Based Outpatient Clinic,” is Public Law 113–234.

House Vehicle

H.R. 1216, to designate the Department of Veterans Affairs Vet Center in Prescott, Arizona, as the “Dr. Cameron McKinley Department of Veterans Affairs Vet Center,” is Public Law 113–138.

H.R. 1412, the Department of Veterans Affairs Expiring Authorities Act of 2013, is Public Law 113–37.

H.R. 3230, the Veterans Access, Choice, and Accountability Act of 2014, is Public Law 113–146.

H.R. 3302, to name the Department of Veterans Affairs medical center in Bay Pines, Florida, as the “C.W. Bill Young Department of Veterans Affairs Medical Center,” is Public Law 113–49.

H.R. 3375, to designate the community-based outpatient clinic of the Department of Veterans Affairs to be constructed at 3141 Centennial Boulevard, Colorado Springs, Colorado, as the “PFC Floyd K. Lindstrom Department of Veterans Affairs Clinic,” is Public Law 113–215.

H.R. 3682, to designate the community based outpatient clinic of the Department of Veterans Affairs located at 1961 Premier Drive in Mankato, Minnesota, as the “Lyle C. Pearson Community Based Outpatient Clinic,” is Public Law 113–217.

H.R. 4199, to name the Department of Veterans Affairs medical center in Waco, Texas, as the “Doris Miller Department of Veterans Affairs Medical Center,” is Public Law 113–256.

H.R. 4276, the Veterans Traumatic Brain Injury Care Improvement Act of 2014, is Public Law 113–257.

III. OVERSIGHT

A. First Session (2013)

In accordance with its mandate, the Committee engaged in vigorous oversight of VA regional offices (hereinafter, “RO”), hospitals, and other health care facilities, as well as Department of Defense (hereinafter, “DOD”) facilities.

A primary focus for the Committee was oversight of VA’s health care system. To that end, Committee Majority staff visited VA Medical Centers, Clinics, Vet Centers and State Homes located in Alaska, California, Florida, Georgia, Maryland, Michigan, Minnesota, New York, South Carolina, Texas, Vermont, Virginia, and West Virginia. These visits focused on quality-of-care, patient safety, Veterans Integrated Service Network (hereinafter, “VISN”) operations, the availability of mental health care and dental services, and sustainability. Additionally, Majority and Minority Committee staff visited VA Medical Centers, Clinics, and Vet Centers located in Florida, Illinois, and Washington.

Another focus of Committee oversight was to ensure that VA's programs for homeless veterans were being managed and operated appropriately. Toward this end, Majority and Minority Committee staff visited Florida to examine the training that VA provides for its Supportive Services for Veterans and Families grantees, visited one site of the National Center on Homelessness Among Veterans, and met with the Grant and Per Diem Program Office to discuss operations. Additionally, Committee Majority staff visited California to examine case management contractor operations for the HUD-VASH program and best practices for low-income veteran housing development.

Committee oversight also focused on programs and efforts designed to help servicemembers transition to civilian status and improve VA/DOD collaborative efforts. Majority Committee staff placed significant attention on the transition of servicemembers through the Integrated Disability Evaluation System (hereinafter, "IDES") by visiting DOD facilities in Alaska and Texas. Majority Committee staff and Minority Committee staff jointly visited the Captain James A. Lovell Federal Health Care Center, North Chicago, Illinois, to examine collaborative efforts at the facility, which integrated care into a single facility with a combined VA and Navy mission.

Majority and Minority Committee staff also conducted oversight of VA's efforts to transform the compensation claims system with visits to ROs in Washington and Wisconsin. In Washington, staff conducted oversight at the Disability Rating Activity Site, which has responsibility for processing claims of servicemembers involved with IDIS. While in Wisconsin, the Majority and Minority staff visited the document conversion vendor to review VA's efforts to transition to paperless processing and spent time reviewing RO operations to include pension and fiduciary programs.

Another focus of the Committee was ensuring that VA was appropriately implementing the terms of a Memorandum of Understanding with the Indian Health Service (hereinafter, "IHS") in order to reimburse IHS for health care provided to eligible veterans and increase access to VA care and benefits for Native American veterans. Staff visited a Vet Center in Tulsa, Oklahoma, and the Pawnee Indian Health Clinic in Pawnee, Oklahoma, to review joint efforts to identify eligible patients at the IHS clinic and to transmit billing and care encounter summary information to VA.

Understanding that medical facilities and data centers use substantially more energy than the average building, the Committee conducted oversight at several VA facilities in West Virginia and California in order to identify best practices for addressing energy use and reducing the Department's environmental impact.

Committee Majority staff also visited National Cemeteries in California and Ohio.

B. Second Session (2014)

During the Second Session, the Committee focused its oversight efforts on access to timely, high-quality health care at VA. In early 2014, media reports surfaced based on whistleblower allegations about poor patient care at the Phoenix VA Health Care System (hereinafter, "PVAHCS"). Shortly after those initial reports, another whistleblower raised concerns about staffing issues in the

Emergency Department and concerns over a shortage of mental health professionals at the PVAHCS during a May 1 interview with The Arizona Republic. A third former Phoenix employee came forward adding further credence to the allegations made by the first whistleblower. This individual, who worked as a medical support assistant while at VA, added that the use of a “secret list” was widely known at the PVAHCS and viewed as “standard protocol.” VA’s Office of Inspector General (hereinafter, “VAOIG”) began investigating similar allegations at a number of other VA facilities around the country.

In the wake of the allegations in Phoenix, Arizona, the Committee held a series of oversight hearings focused on the state of VA health care. The first oversight hearing titled, the State of VA Health Care, took place on May 15, 2014. The Committee received testimony from VA, witnesses from several veterans service organizations who discussed their members’ experiences with VA health care services, VAOIG, the Government Accountability Office, the National Association of the State Directors of Veterans Affairs and Philip Longman, Senior Research Fellow at the New America Foundation. Based on the scope of the problem, the Committee committed to hold additional hearings on the topic as more information became available.

On May 16, 2014, Under Secretary for Health Robert Petzel resigned. Further leadership changes occurred when Secretary Shinseki resigned his post. In his place, President Obama tasked VA’s Deputy Secretary, Sloan Gibson, to act as the Department’s temporary leader.

On May 28, 2014, the VAOIG released its report on the interim findings of its investigation into events at PVAHCS. Initial findings identified “gross mismanagement of VA resources and criminal misconduct by VA senior hospital leadership, creating systemic patient safety issues and possible wrongful deaths.” Two days later, VA released the results of phase one of its face-to-face audit that occurred during May 12, 2014, to May 16, 2014. This phase covered VA medical centers and large Community-Based Outpatient Clinics serving at least 10,000 veterans—138 VA Medical Centers, 258 separate points of access, and over 2,100 scheduling staff. The report noted: “Meeting a 14-day wait-time performance target for new appointments was simply not attainable given the ongoing challenge of finding sufficient provider slots to accommodate a growing demand for services. Imposing this expectation on the field before ascertaining required resources and its ensuing broad promulgation represent an organizational leadership failure.” During phase two of the audit, VA found nearly identical results. The second phase report detailed a number of obstacles that prevented front-line staff from being able to provide timely access to care. The lack of provider slots was found to be the most significant single barrier in the delays in access. The 14-day standard and the limited number of schedulers were identified as two other substantial barriers.

In late June, Acting Secretary Gibson made further leadership changes at the Department when he named Dr. Carolyn Clancy interim Under Secretary for Health. Dr. Robert Jesse had been serving as acting Under Secretary for Health following Dr. Petzel’s resignation.

The Committee held its second oversight hearing on the State of VA Health Care on July 16, 2014, where it received an update from VA officials regarding improving veterans' access to care. VA officials also outlined a need for additional funding in order to bolster staffing and infrastructure in order to meet demand for VA health care.

On June 29, 2014, the White House announced it was nominating Robert McDonald to be the Secretary of VA. He was confirmed by the Senate on July 29, 2014.

A month later, the VAOIG released its final report about Phoenix. The Committee held a third oversight hearing on the State of VA Health Care on September 9, 2014, where it heard from the VAOIG that, while clinically significant delays in care were identified, the VAOIG was unable to conclusively assert that the absence of timely, quality care caused the death of any veterans at the PVAHCS.

The Secretary of Veterans Affairs ordered medical facilities and ROs to hold town hall meetings to hear directly from veterans about their experiences with VA health care—and more specifically, access to timely health care. Committee Majority staff observed Access Town Halls in Massachusetts, South Carolina, and Tennessee. Additionally, Majority Committee staff observed a town hall hosted by The American Legion in Phoenix, Arizona.

Committee Majority staff visited VA Medical Centers, Clinics, Vet Centers and State Homes located in Hawaii, Illinois, Minnesota, Mississippi, Nebraska, New Mexico, South Carolina, South Dakota, Texas, and Vermont. These visits focused on broader access to care, quality-of-care, patient safety, VISN operations, and the availability of mental health care and dental services. In New Mexico, staff sat in on a group therapy session and met with members of community groups that collaborate with the Albuquerque Vet Center to help veterans. In Illinois, staff reviewed the operations of a centralized mail outpatient pharmacy and a blind rehabilitation center. Committee Majority Staff and Minority Staff visited VA Medical Centers, Clinics, and Vet Centers located in Florida, Illinois, and Washington.

Majority and Minority Committee staff continued oversight of VA's efforts to transform the compensation claims system with visits to ROs in New Jersey, Minnesota, and Pennsylvania. Staff conducted oversight of VA's disability and pension compensation claims systems at the Philadelphia RO. In addition to a general overview of the compensation and pension programs at the office, staff focused on the appellate and non-rating workloads pending at the RO. Staff also received a briefing on the various life insurance programs administered by VA from the Philadelphia RO. In Minnesota, Majority and Minority Committee staff again focused on the appellate workload and also administration of VA's pension program. Additionally, Majority Committee staff visited the Boston RO. At the Boston RO in Massachusetts, Majority Committee staff focused on the appellate workload pending at the RO and received a demonstration on a component of the centralized mail system.

Building upon efforts from the first session of the 113th Congress, Majority Committee staff continued to closely monitor efforts to assist servicemember transition to civilian status. Oversight efforts focused on the status of VA/DOD collaboration, including the

status of the integrated Electronic Health Record (hereinafter, “iEHR”) program, the Virtual Lifetime Electronic Record (hereinafter, “VLER”), and IDES. Majority and Minority Committee staff visited the DOD-VA Interagency Program Office to examine efforts to improve the interoperability of health data between the two departments, and the DiLorenzo TRICARE Health Clinic to examine the DOD-VA Bi-directional Health Exchange and Joint Legacy Viewer. Majority and Minority Committee staff also met with local program executives for the Virtual Lifetime Electronic Record Program at a VA facility in Illinois to discuss preparations in place to begin sharing veteran health data with community health providers through the VLER program. As part of this oversight on VA/DOD collaboration, Majority Committee staff also conducted an oversight visit to the Fort Belvoir Army Wounded Warrior program, commonly referred to as the AW2 program. Majority Committee staff met with leadership from the Warrior Transition Battalion (hereinafter, “WTB”), the Northern Regional Medical Command, the Soldiers and Family Assistance Center, and the Army Career and Alumni Program. Majority Committee staff also met with soldiers assigned to WTB without leadership presence.

A critical component of seamless transition is participation in the Transition Assistance Program (hereinafter, “TAP”). TAP has continued to be an area of focus for Committee staff due to its importance in educating transitioning servicemembers about the programs and benefits that are available to them as they enter civilian life. Majority Committee staff visited Marine Corps Base Quantico to observe a TAP briefing, including the education and employment tracks.

Along that same vein, Committee Majority staff visited multiple Department of Labor (hereinafter, “DOL”) One-Stops to observe the customer service provided to veterans looking for employment assistance. The staff also evaluated the quality of services available to those veterans. Staff visited five DOL One Stops in Maryland, Tennessee, and Virginia. Committee Majority staff also visited Austin Peay University in Tennessee and George Mason University in Virginia to discuss the specialized programs and services offered to their student veterans and to receive feedback regarding the implementation of a new law that provides recently separated servicemembers with the in-state tuition rate.

Continuing efforts from the first session of the 113th Congress, Committee Majority and Minority staff focused on oversight related to the operations of VA’s programs for homeless veterans. Toward this end, Majority and Minority Committee staff visited Illinois to visit a VA Community Resource and Referral Center for homeless and low income veterans. In Illinois, Committee staff examined how grantees were implementing the Grant and Per Diem Transition-in-place initiative, and met with homeless veterans participating in the program to understand its impact on veterans. Further, Majority and Minority Committee staff visited the Financial Services Center in Austin, Texas, to learn about its work in ongoing proactive audits and risk assessments of Supportive Services for Veteran Families grantees.

Committee Majority and Minority staff also visited the Austin Information Technology Center in Austin, Texas, to examine information technology enterprise operations. More specifically, staff evalu-

ated policy changes and remediation issues taken in response to a central server failure that resulted in the loss of nearly 500,000 digital documents and files for VA's home loan guaranty program. Committee staff also examined VA's data center consolidation and server virtualization programs, along with efforts to "green" the data center.

Committee Majority staff also visited National and State Cemeteries in Hawaii and Minnesota.

IV. NOMINATIONS

Name and Position	Date of Nomination	Date of Hearing	Date Reported	Date Confirmed
First Session				
Sloan D. Gibson Deputy Secretary of Veterans Affairs	9/11/2013	11/6/2013	12/9/2013	
Linda A. Schwartz Assistant Secretary for Policy and Planning	8/1/2013	11/6/2013	12/9/2013	
Constance B. Tobias Chairman, Board of Veterans' Appeals	3/21/2013	11/6/2013	12/9/2013	
Helen Tierney Chief Financial Officer (Privileged Nomination)	10/7/2013	N/A	N/A	
Second Session				
Robert Alan McDonald Secretary of Veterans Affairs	7/7/2014	7/22/2014	7/23/2014	7/29/2014
Sloan D. Gibson Deputy Secretary of Veterans Affairs	1/6/2014	11/6/2013	1/16/2014	2/11/2014
Linda A. Schwartz Assistant Secretary for Policy and Planning	1/6/2014	11/6/2013	1/16/2014	9/16/2014
Constance B. Tobias Chairman, Board of Veterans' Appeals	1/6/2014	11/6/2013		
Jeffrey A. Murawsky Under Secretary for Health	5/5/2014 (Withdrawn 6/9/2014)			
Helen Tierney Chief Financial Officer (Privileged Nomination)	1/6/2014	N/A	N/A	12/16/2014
Leigh A. Bradley General Counsel	11/12/2014	12/4/2014	12/8/2014	12/16/2014

V. BUDGET FOR VETERANS PROGRAMS

A. First Session (2013)

Pursuant to the requirements of section 301(d) of the Congressional Budget Act of 1974, Chairman Sanders of the Committee submitted a letter to the Budget Committee reflecting the Committee's Views and Estimates on the Administration's proposed fiscal year 2014 budget for veterans' programs. The letter submitted is printed below in its entirety:

MARCH 1, 2013.

Hon. PATTY MURRAY, *Chairman,*
Hon. JEFF SESSIONS, *Ranking Member,*
Committee on the Budget,
United Senate, Washington, DC.

DEAR CHAIRMAN MURRAY AND RANKING MEMBER SESSIONS: Pursuant to Section 301(d) of the Congressional Budget Act of 1974, I write to provide my views and estimates to the Committee on the

Budget on matters within the jurisdiction of the Committee on Veterans' Affairs.

Although the President has yet to submit his budget request for this fiscal year, I applaud his continued support for veterans' programs throughout the difficult budgetary climate that has prevailed in recent years. I firmly believe that caring for our nation's veterans after they have returned home from the battlefield is a cost of war. To that end I am pleased, based on the Office of Management and Budget's assurance, that all veterans programs administered by the Department of Veterans Affairs (VA), including health care, will be exempt in the event of sequestration.

Given the service and the sacrifice of America's veterans and their families, we, as a nation, have a special responsibility to pay this cost in full. The guarantees of adequate health care and appropriate benefits must be backed by a concrete capacity to fulfill these obligations. That is why we will continue to advocate for sufficient funding for VA and other agencies that provide veterans' programs and services.

Noted below are areas within the jurisdiction of the Committee on Veterans' Affairs for which I have particular concern:

Mental Health. The number of veterans battling mental health disorders—including post-traumatic stress and substance use disorder—continues to rise and the number of veterans that commit suicide remains unacceptably high. As a result, meeting demand for timely and effective mental health care is a persistent challenge for VA. VA has a number of efforts underway that aim to enhance the accessibility and quality of VA mental health care services, including hiring additional mental health staff and initiating periodic reviews of mental health services at each medical center. Further, VA has a longstanding commitment to supporting research on mental health disorders and treatments and I am optimistic that this research will expand treatment options available to veterans, including through complementary and alternative medicine. It is critically important that adequate funding mental health services and research, as well as complementary and alternative medicine, is available. Sufficient funding will ensure VA is able to meet rising demand, mitigate long wait times, and promote wellness among veterans receiving their health care at VA medical centers across the country.

Readjustment Counseling. Vet Centers furnish readjustment counseling to veterans who served in combat zones, including those involved in Operations Enduring Freedom/Operation Iraqi Freedom/and Operation New Dawn (OEF/OIF/OND), and their families. In 2012, VA had over 300 Vet Centers and 70 Mobile Vet Centers operating across the country. These Vet Centers and Mobile Vet Centers supported more than 1.5 million visitors. Vet Centers provide essential counseling related to combat service, bereavement counseling for families of servicemembers who die while on active duty, as well as outreach and referral services. VA anticipates an increase in demand for Vet Center services, given the high number of returning veterans with PTSD and other mental health issues, as well as the number of veterans from other eras reaching out for these services for the first time.

Therefore, I recommend that the Budget Resolution support re-adjustment counseling in an amount that reflects the importance and significance of meeting this mission.

Office of Inspector General. The work of the VA Office of the Inspector General (IG) has made invaluable contributions to management effectiveness throughout VA. The Committee relies heavily on the IG for unbiased investigations and audits. The IG conducts this vital oversight throughout the numerous areas of the Department's operations and budget. Unfortunately the President's request has repeatedly undervalued the importance of strengthening the IG's office. Historically, the level of resources requested would force the IG to triage reactive oversight work requested by the Secretary and Congress. Also, stagnant funding for the IG's office may unnecessarily increase risk for veterans in the critical areas of health care and compensation claims processing. I am particularly concerned that the IG's office might have an inadequate number of health inspectors to meet current demand.

I recognize the importance of the work that the IG does and recommend that adequate funding be provided in the Budget Resolution to allow the IG's office to continue to address problem areas as they arise, and allow for new oversight initiatives.

Purchased Care. Section 8153 of title 38, United States Code, authorizes the Department to purchase care from non-VA providers for reasons of geographic inaccessibility or inability by VA to provide the services needed. In an attempt to standardize purchased care contracts across the health care system, VA developed the Patient-Centered Community Care program, or PC3. The program will contract with five regional non-VA providers to provide veterans services when VA is unable to provide the services needed. PC3 will be centrally-managed, although regional VA staff will provide some level of program support. Each PC3 contract will reflect a 6-month start-up period, which will allow for contracted providers to implement their region under the awarded contract. This will be followed by a twelve month term and then any unexercised option—to not exceed four additional years. Each of the five PC3 contracts have a maximum contract dollar value of \$5.3 billion, which is inclusive of all exercised option years.

In FY 2011, VA purchased services from non-VA providers for approximately one million unique episodes of care. In the same fiscal year, the IG estimated VA spent about \$4.6 billion to purchase health care services from non-VA providers, which included other government agencies, affiliated universities, community hospitals, nursing homes, and individual providers. Over the past 3 years, the IG has also issued seven reports on the deficiencies faced by VA's purchased care program office. More specifically, the IG audits and reviews pointed to significant weaknesses and inefficiencies in management of purchased care policies and procedures at VA that led to insufficient oversight. The IG also noted the lack of purchased care program processes in place to maximize VA's ability to determine whether fee basis authorizations are indeed necessary, timely, high quality, and properly contracted and billed.

I recognize that VA's continued efforts to strengthen the management of its purchased care program. However, overpayments and unauthorized fee basis care limit the overall availability of resources available for VA medical services. Therefore, I am con-

cerned about VA's ability to appropriately manage the purchased care program before, during, and after PC3 contracts are awarded, and its potential impact on the budget moving forward.

Savings and Collections. The President's FY 2013 budget request forecasted operational cost savings to account for nearly \$1.28 billion in cost avoidances. In August 2011, GAO found VA's operational improvements could not be specifically identified. Based upon operational efficiencies identified as cost savings in previous VA budgets, I am concerned there will be a similar shortfall in the next fiscal year. A contingency plan from VA will be necessary to ensure health care services will not suffer if the Department fails to meet its cost savings estimate in FY 2014 and I request they provide such a plan to the Committee. I am concerned by the potential impact that failing to achieve the identified cost savings may have on VA's provision of health care. Such failure may require VA to find ways to make up for lower than expected resources.

I am also concerned with VA's recurring challenges in billing and collections. In May 2011, the IG found the Department's efforts to implement Consolidated Patient Accounting Centers have not improved its effectiveness and these centers were in fact no more effective than facilities that conducted no reviews of billings processes at all. Additionally, the IG found that VA lacked a system of controls to identify billable opportunities and process subsequent collections for those amounts. While VA continues to address those ineffective and unreliable processes identified by the IG report, failure to fully implement the IG's recommendations will result in approximately \$553 million in unrecovered third-party revenue. In FY 2011, VA collected \$582.5 million less than it projected in the FY 2013 budget for its Medical Care Collections Fund (MCCF). Additionally, VA is anticipating a MCCF shortfall for FY 2013 of nearly \$328.6 million from its FY 2012 budget estimate. Therefore, I am concerned that the President's FY 2014 request will reflect this 2-year trend of declining MCCF revenue.

The Department must do a better job of both accurately projecting collections and recouping revenue. Failure to meet these projections places an unfair burden upon VA to make budget reductions when a shortfall is recognized. I expect that VA will notify the Committee should these initiatives fail to meet budget projections and identify methods to improve the current process. I will continue to exercise oversight over these initiatives, and have asked GAO to examine the accuracy of VA's projections for health care demand.

State Veterans Homes. The continued weak economy, lower than anticipated tax revenues, and budget shortfalls have hindered several states' abilities to make the required matching funds necessary to qualify for Federal Grants for State Extended Care Facilities, commonly referred to as State Home construction grants. Under this program, VA provides 65 percent of project cost while states are required to fund the remaining 35 percent. Because limited state budgets have forced states to defer needed investments in State Homes, many previously proposed construction projects were removed from VA's construction grants priority list. As a result, the backlog of pending State Home construction projects has risen. Importantly, the total Federal share for priority group one

projects—those affecting life, safety and other urgent needs, and for which states have certified the availability of matching funding, has fallen from \$322 million in FY 2012 to just over \$257 million in FY 2013. This trend is expected to continue in the coming years. Therefore, I recommend sufficient resources be allocated to fully fund VA for Grants for State Extended Care Facilities. Sufficient funding is necessary for the long list of projects to move forward with design and begin construction.

Construction, Leasing and Non-Recurring Maintenance. In the last several years, the President's Budget Requests have shown continued a trend of reducing funding for major construction and non-recurring maintenance over the last several years. VA's facilities are aging and facility utilization continues to grow, even as facility conditions continue to deteriorate. During the FY 2013 budget cycle, VA's Strategic Capital Investment Plan identified \$61 to \$75 billion in facility improvements that should be made over the next 10 years. However, VA has requested between \$1 and \$1.5 billion annually for construction and maintenance during each of the last three fiscal years. This funding level is clearly insufficient to meet the needs identified during this time. Further, inadequate funding forces VA to defer maintenance, requiring more costly repairs in future years.

VA uses a variety of tools, including construction, leasing, sharing agreements and others to acquire space to provide medical care to veterans. In order to avoid interruptions to patient care and VA operations, VA requests Congressional authorization to lease space to use. These leases increase access to care closer to home for veterans across the country. Congress has not yet authorized or appropriated the \$1.26 billion necessary for 15 major medical facility leases that VA requested in FY 2013. I request that the Budget Resolution contain sufficient funding to authorize VA's FY 2013 lease request.

Physical infrastructure plays a significant role in VA's ability to provide high quality care to veterans. I recommend that sufficient funding be provided in the Budget Resolution to allow VA to construct, repair, or lease safe, high quality facilities.

Information Technology. VA has undertaken a significant transformational effort, working toward becoming an innovative, outcomes-driven, veteran-centric Department. Work remains to achieve this goal, and information technology is an underpinning of each component of this initiative. From the Veterans Benefits Management System (VBMS) to the Homeless Operations and Management Evaluation System, VA's many information technology systems serve as the cornerstone of VA's efforts to move its operations into the 21st Century.

Particularly significant among these systems is the VA-DOD integrated electronic health record (iEHR), which was expected to combine health information from VA and DOD into a single, unified system. I am deeply disappointed by the Departments' inability to successfully collaborate with each other, as evidenced by the recent announcement to pursue two separate, but interoperable, electronic health records instead of the planned-upon jointly developed single record. Joint development of a single iEHR would improve the claims process, reduce duplication in medical testing, and allow VA to provide more efficient, cost-effective treatment for both phys-

ical and mental health needs. Both Departments have invested a great deal in program development; however they must ensure that their decisions for future investments consider not only the short-term but also the long-term implications of their choices. Moving forward, it is of paramount importance that sufficient resources be available to ensure that VA and DOD are able to achieve maximum integration and interoperability of their electronic health record systems.

The importance of information technology cannot be understated as VA seeks to transform its delivery of care and benefits. Therefore, I will work to ensure that VA and its Agency partners are investing in appropriate information technology solutions, as demonstrated by sound business cases that fully consider the life-cycle costs of these investments. I will continue to look to the Administration to provide additional information on their information technology programs, including the basis for decisionmaking on the iEHR, and have requested that GAO examine the program. I recommend that adequate funding be provided to invest in the future through well-placed investments in VA's information technology programs today.

Compensation Claims System Transformation. The compensation claims workload remains one of the most significant challenges confronting VA. The Department must continue to take aggressive action to improve the claims adjudication process, with a focus on quality of decisions. To this end, VA has set ambitious goals of eliminating the disability claims backlog by 2015 and of providing a quality decision (98 percent accuracy) within 125 days of application for benefits. VA has a long way to go in order to meet this goal. As of February 16, 2013, the most recent claims workload numbers remain troubling, with 69.9 percent of the compensation and pension entitlement inventory of 897,714 claims pending over 125 days.

Staffing. Over the past several years, Congress has provided the resources necessary in terms of personnel to support VA's increasing claims workload. The Veterans Benefits Administration's (VBA) direct FTE have grown by over 7,000 FTE from 10,676 in FY 2006 to 18,033 in FY 2011.

VA must continue to ensure appropriate staffing levels in order to provide timely and accurate claims decisions. As transformation efforts continue, the Administration must provide more detail on the impact of transformation on personnel and resource requirements. This includes information on the model used to allocate personnel and resources to Regional Offices.

I recommend that adequate funding be provided in the Budget Resolution to provide for the staffing levels necessary to support timely and accurate claims decisions. The Committee will continue to monitor VBA's staffing requirements, claims production, and quality of decisions throughout FY 2013.

Transformation. VA's transformation efforts revolve around improvements in the areas of people, processes, and technology. VA is relying heavily on VBMS, a paperless claims processing IT solution, to transform VA's paper-based system into a more efficient paperless, and ultimately an electronic, claims processing system. As transformation continues throughout FY 2013, the Committee will look to the Administration to provide greater detail on the re-

sults of its transformation efforts and more comprehensive data on the resource requirements necessary for continued support of these efforts to ensure VA's compensation claims system moves into the 21st Century.

I would request that the Budget Resolution support VA's dedicated workforce by providing funding levels that allow VA to continue transformation by providing its employees with the appropriate training, technology, and business process reforms necessary to produce more timely and accurate claims decisions.

Board of Veterans Appeals. The Board of Veterans' Appeals (BVA) is responsible for making final Departmental decisions on behalf of the Secretary for the thousands of benefits claims presented for appellate review annually.

BVA's production saw a slight decrease in the number of decisions issued in FY 2011, which the Report of the Chairman for FY 2011 attributed to a decrease in FTE. Historically, BVA receives on appeal approximately 5 percent of all claims decided by VA. Given the increased production of claims decisions by VA over the past several years, it is anticipated that the number of appeals received by BVA will continue to rise. This anticipated increase is further supported by the expectation that the completion of re-adjudication of the Nehmer workload will allow VA to focus on the certification of appeals that have been pending action at Regional Offices. Finally, BVA's projections for FY 2013 in the Report of the Chairman for FY 2011 estimated 73,932 appeals would be docketed at BVA in FY 2013.

BVA staffing levels must support this anticipated increase in appeals. Failure to do so would result in the growth of the backlog in pending appeals while doing little to ease the strain on veterans and other beneficiaries who continue to find themselves waiting far too long for final compensation claims decisions.

As the Committee continues to closely monitor BVA's caseload and whether ongoing processes and operational changes result in increased decisions, I recommend that the Budget Resolution provide sufficient funding to reduce the backlog of claims at BVA, decrease the average days pending, and further improve the quality of decisions.

Education Service. The Post-9/11 GI Bill continues to be a significant program. Since the beginning of the program in May 2009, VA has paid 920,306 total beneficiaries a total of \$26.2 billion. Additionally, a significant new program that was included as part of Public Law 112-56, which contained the VOW to Hire Heroes Act of 2011, will continue to increase Montgomery GI Bill usage with focus on retraining 99,000 veterans. Processing times for new benefits can take up to 40 days, depending on whether the claim is handled through VA's Long-Term Solution. This is well beyond VA's strategic goal of processing education claims in 14 days. I will continue to evaluate VA's performance in this area and will assess the President's budget when submitted if it appears that the request is inadequate to process education claims in a timely and accurate manner.

Employment and Training. Despite the emphasis on employment and training programs last Congress, unemployment among our veterans is still a great concern.

The VOW to Hire Heroes Act of 2011 established a significant new program, Veterans Retraining Assistance Program (VRAP), requiring VA and the Department of Labor (DOL) to partner to provide eligible veterans with up to 1 year of retraining assistance for jobs in high-demand sectors. Legislation has been introduced in the Senate and House to extend funding for specific provisions in that law that are set to expire. I recommend the Budget Resolution include funding for the extension of these important provisions.

DOL also provides resources and services to help veterans succeed in the civilian workforce, including providing grants to states to support two principal positions in the American Job Centers. The Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs) provide intensive services and outreach to meet the needs of veterans. It is important that states continue to receive these grants and provide veterans these critical services at the local level.

The Transition Assistance Program (TAP) has been the primary method of disseminating critical information to transitioning servicemembers. I am pleased that TAP has been revamped within the last year and been made mandatory. It is now critical that VA, DOD, and DOL continue to work together to update and revise the program to ensure that our newest generation of veterans and servicemembers are aware of available benefits and services. I will continue to evaluate the performance of these programs and the collaboration among the Federal agencies to ensure veterans across the nation are provided the opportunities they deserve.

Finally, demand for employment programs is high—as evidenced by the number of veterans who have come forward to take advantage of the VOW to Hire Heroes Act of 2011. It is my hope that the Budget Resolution reflects this demand and provides ample funding for opportunities for veterans in this area.

Vocational Rehabilitation and Employment. VA's Vocational Rehabilitation and Employment (VR&E) Program provides counseling and rehabilitative services to disabled veterans. The veteran to counselor ratio is significantly higher than that of State programs. Further, VR&E operates the Vet Success on Campus program that provides critical outreach and counseling to student veterans. I recommend that funding be allotted to provide for additional counselors to reduce the veteran to counselor ratio to 125 to 1.

Cost of Living Adjustment. Under current law, the COLA applied to veterans' disability compensation and survivors' DIC is rounded down to the next lowest dollar. VA compensation can be the sole source of income for a veteran and his or her family. Over the course of a veteran's lifetime, the effect of a COLA round-down can be substantial. Our nation's veterans deserve appropriate compensation, the value of which should not be reduced by inflation.

The legal authority for the COLA round-down is scheduled to expire in 2013, and I recommend that the Budget Resolution include sufficient funding to support a COLA that finally ends the practice of rounding-down.

On a related matter, I am committed to protecting veterans' and survivors' benefits from any reductions based on the manner by which the COLA is calculated. To that end, I recommend that the Budget Committee reject the adoption of the Chained Consumer Price Index.

Other Mandatory Programs. Of specific concern to me is that the values of certain mandatory benefits have eroded over time. In particular, the service-connected and non-service connected burial allowances, as well as the plot allowance have seen their purchasing power go down. Further, I am concerned about the level of benefits paid to survivors, which remain at levels lower than other Federal survivor benefit programs.

I recommend that the Budget Resolution contain adequate funding to improve the value of these important benefits.

I thank the Budget Committee for its attention to my views and estimates on matters within the jurisdiction of the Committee on Veterans' Affairs.

Sincerely,

BERNARD SANDERS,
Chairman.

B. Second Session (2014)

Pursuant to the requirements of section 301(d) of the Congressional Budget Act of 1974, Chairman Sanders submitted a letter to the Budget Committee reflecting the Committee's Views and Estimates on the Administration's proposed fiscal year 2015 budget for veterans' programs. The letter submitted is printed below in its entirety:

APRIL 10, 2014.

Hon. PATTY MURRAY, *Chairman*
Hon. JEFF SESSIONS, *Ranking Member*
Committee on the Budget
U.S. Senate, Washington, DC.

DEAR CHAIRMAN MURRAY AND RANKING MEMBER SESSIONS: Pursuant to Section 301(d) of the Congressional Budget Act of 1974, I write to provide my views and estimates to the Committee on the Budget on matters within the jurisdiction of the Committee on Veterans' Affairs. In preparing these views and estimates, I have carefully reviewed the Administration's proposed Fiscal Year (FY) 2015 budget and 2016 advance appropriations request for veterans' programs. I have also carefully reviewed the testimony of Secretary Shinseki and other witnesses at the Committee's March 12, 2014, hearing on the proposed budget. Finally, I have given careful consideration to the "Independent Budget for the Department of Veterans Affairs for Fiscal Year 2015" prepared by four veteran service organizations—AMVETS, The Disabled American Veterans, the Paralyzed Veterans of America, and the Veterans of Foreign Wars. This comprehensive budget and policy document created by veterans and for veterans is also supported by 53 other organizations that represent millions of veterans from across this nation.

I. SUMMARY

If I have learned anything during my short time as Chairman of the Veterans' Affairs Committee, it is that war comes with a very heavy price. That sacrifice in recent years was not just the loss of over 6,700 Americans who have lost their lives in Iraq and Afghanistan but the impact of these recent conflicts on hundreds of thousands of veterans who came home either wounded in body—loss of

arms, loss of legs, loss of hearing, or loss of sight—or with the more invisible wounds of war.

Today, all across this country, veterans and their families continue to face challenges. Family members across this nation—husbands and wives, fathers and mothers—often under great stress are taking care of disabled veterans and have been for years. These men and women have devoted their lives to the ones they loved and could use some assistance. Thousands of men and women, not only from the most recent wars in Iraq and Afghanistan but from other conflicts as well, continue to do their best to cope with post traumatic stress, which can take a tremendous toll on their lives and on their families' lives. These are but a few examples of the lasting costs of war that continue to have a significant impact on America's veterans and their families. These are lasting costs of war future budgets must continue to address.

Overall, I believe the President's budget request reflects a continued commitment on the part of the Administration to ensuring veterans have access to the care and benefits they deserve. Specifically, I am pleased to see continued investment towards ending veteran homelessness and addressing the disability claims backlog. I do however have some specific areas of concern within the jurisdiction of the Committee on Veterans' Affairs, which are addressed in greater detail below.

II. DISCRETIONARY ACCOUNT SPENDING

A. Medical Services

Health Care Utilization and Expansion. Utilization of VA health care is on the rise. In the coming year alone, VA anticipates an increase of nearly 125,000 new patients. Despite this increase, the overall health care inflation rate and demand for a greater variety of health care services, the President's FY 2015 budget request reflects just a 3 percent increase in medical care spending over the previous year.

VA has a history of underestimating increases in unique patients. In 2012, the Department underestimated the increase in unique patients by 78,354 and in 2013 it miscalculated by 57,955. Moreover, during the March 15, 2014, budget hearing before the Veterans' Affairs Committee, Secretary Shinseki indicated, at present, VA does not have the ability to accurately predict the number of new patients that will come into VA in a given year. Rather, VA relies on predictions made from behavior of veterans in past years. Therefore, the predicted number of new unique patients does not take into account changing factors, such as the looming reduction of forces by the Department of Defense.

In addition to ensuring VA is able to meet the increased health care demands of new patients, several potential initiatives could further increase veterans' access to timely and high-quality VA health care. Such initiatives include: expanding VA health care to certain veterans who are currently ineligible for enrollment in the VA health care system, but are required to have health care coverage; extending the period of eligibility for enrollment in the VA health care system post-deployment for certain veterans, including members of the National Guard and Reserve; and simplifying VA's geographic income thresholds by establishing one income threshold

per state to make clearer which veterans are eligible to enroll and help VA facilities conduct outreach to their local veterans. The Congressional Budget Office (CBO) has estimated these initiatives would cost \$472 million in FY 2015.

To better address the current and imminent demands on VA's health care system, I request an additional \$1.6 billion in funding over the President's FY 2015 medical services request. This funding would provide the necessary resources to care for the additional 124,970 patients VA anticipates serving in 2015, allows for the expansion of services explained above, and preserves the President's increase to account for the cost of medical inflation. These funds would ensure there are no gaps in care or services for those veterans currently enrolled and would support increased access to VA health care.

Mental Health. The President has requested \$7.2 billion for mental health care for FY 2015, which represents a 4.5 percent increase over FY 2014 spending. Given the increased demand for mental health care, I am concerned the proposed 4.5 percent increase in funding may not be enough to keep pace with demand for timely and effective services.

The number of veterans battling mental health disorders continues to rise and the number of veterans who commit suicide remains unacceptably high. While VA has made a number of improvements to enhance the accessibility and quality of VA mental health care services, including the hiring of additional mental health staff and initiating periodic reviews of mental health services at each medical center, more needs to be done. This past year a number of stories emerged regarding the overmedication of veterans. Additional funding to support research on mental health disorders could lead to expanded treatment options for veterans, including the growth of complementary and alternative medicine choices. Sufficient funding will ensure VA is able to meet rising demand, mitigate long wait times, and promote wellness among veterans receiving their health care at VA medical centers across the country.

Dental. Under sections 1712 and 2062 of title 38, United States Code, VA dental care services are provided to a limited cohort of veterans: generally, those who are 100 percent service-connected, those who are service-connected due to a dental condition, and certain homeless veterans. In the President's FY 2015 budget request, VA noted an increase of more than 40 percent in dental patients over the last 5 years. With an expected increase in the overall number of veterans enrolled in the VA health care system and newly separated veterans accessing VA health care at higher rates, dental care utilization will likely increase in the coming years. Consequently, VA's request for \$922 million in FY 2015 may not be adequate.

According to data included in the President's FY 2015 budget request, VA expects a 4-percent increase in the number of dental care procedures it conducts from 2014 to 2015. As a result, VA dentists are expected to carry out a total of 4,529,000 procedures in FY 2015. I have heard from a number of veterans about the already long wait times at dental clinics. For example, a veteran was told he would have to wait 5 months in order to get an appointment with a VA dentist to adjust a lower partial. Without appropriate

adjustments to funding, VA dentists will be required to conduct a greater number of procedures each day or VA will be required to provide a greater percentage of dental care through fee-basis care in order to reduce wait times for veterans.

Furthermore, several potential initiatives could further improve veterans' access to high-quality dental care at VA. In particular, greater overall access to dental care could be achieved if VA carried out a 3-year pilot program to determine the feasibility of providing comprehensive dental care services to the 30,000 veterans currently not eligible to receive VA dental care services. Currently, if veterans are required to have all of their teeth pulled, due to a service-connected condition, VA is not authorized to provide them dentures. By authorizing VA to provide restorative dental services to veterans to reinstate dental functions lost as a result of VA dental care, the overall health of these individuals could be improved. In addition, by directing VA to offer a program of education to promote dental health for veterans enrolled in VA's health care system, veterans will be better informed of the techniques for, and benefits of, maintaining proper dental hygiene. Finally, a veteran's electronic health record would be made more comprehensive by requiring VA to include dental services provided by private sector providers enrolled in VA's Dental Insurance Program. The Congressional Budget Office (CBO) has estimated these initiatives would cost \$305 million in FY 2015.

VA has stated proper dental care contributes to improved medical outcomes and well-being for veterans. I concur with this assessment and believe veterans deserve timely access to high quality dental care. Therefore, I ask that an additional \$312 million over the President's FY 2015 budget request be provided to hire additional dentists and further expand VA dental care services to meet increased demand and improve overall veteran health.

Caregivers. Public Law 111-163, the Caregivers and Veterans Omnibus Health Services Act of 2010 (Caregivers Act), was enacted to reduce the burden faced by family caregivers of post-9/11 veterans by providing them with a tax-free monthly stipend, reimbursement for travel expenses, health insurance, mental health services and counseling, training and respite care. Since its inception, the Caregivers Program has trained over 13,500 family caregivers according to data provided in the President's FY 2015 budget request.

The passage of the Caregivers Act served as an important step in ensuring the caregivers of our newest generation of veterans received the resources necessary to provide the best possible care for their loved one. However, by limiting eligibility to caregivers of post-9/11 veterans, the law created an inequity. The tens of thousands of hardworking, dedicated caregivers who provide care to veterans of all other eras were left without access to the program. VA's congressionally mandated report titled *Expansion of Family Caregiver Assistance Report*, submitted to the Veterans' Affairs Committee in September 2013, recognized that inequality. The report went on to state, "VA believes, apart from resource issues that are discussed below, such an expansion is operationally feasible."

In order to meet the needs of post-9/11 caregivers, the President's FY 2015 budget requests \$306 million for the Caregivers Program. If the program was expanded to include veterans of all eras, this

amount would be woefully insufficient. CBO estimates that approximately 70,000 caregivers of pre-9/11 veterans would be eligible for the expanded program. VA estimates in the first year alone, an additional 38,000 caregivers may become eligible for these services and benefits if expansion occurs. In January of this year, CBO estimated expansion of the program would cost \$5.8 billion over 5 years.

However, CBO's cost estimate does not take into account other factors that may actually lead to savings for the Department over time. For example, in FY 2013 the Department spent approximately \$18,203 providing each caregiver their annual stipend, the most expensive aspect of the program. Even when looking at the total cost of the program for the most severely injured veterans who qualify, it is estimated the highest overall cost per veteran in the caregiver program is still under \$30,000. Conversely, based on VA's FY 2015 budget request for long term care, the average cost of caring for a veteran in a VA Community Living Center is \$1,022.31 per veteran per day. Therefore, the annual cost of VA's caregiver program is essentially equivalent to a 1-month stay in a Community Living Center. Aside from reducing the amount of money VA spends on institutional care, veterans' preferences for living at home, which often can lead to a higher quality of life and greater independence, could be met.

To this end, I request an additional \$661 million over the President's FY 2015 request be provided to expand the Caregivers Program to allow the caregivers of pre-9/11 veterans to participate, creating equality between pre- and post-9/11 caregivers.

Rural Health. More than 40 percent of military recruits are from rural parts of the country. After leaving the military, many service-members choose to return to these rural locations. According to the most recent census data, more than 3.1 million veterans reside in rural or highly rural areas. The geographic distribution of veterans in these areas poses a challenge for VA. For example, in my home state of Vermont, many veterans live in rural areas. These veterans are often required to travel significant distances for care at VA facilities. The work of the Office of Rural Health (ORH)—increasing the number of Community-Based Outpatient Clinics and utilization and funding for telehealth—is critical to serving this population.

The ORH focuses on improving access and quality of care for veterans residing in these areas by developing evidence-based policies and ground-breaking practices. However, based on information provided in the President's FY 2015 budget request, funding will remain static for this program through FY 2016. Research indicates veterans who live in rural and highly rural areas suffer higher rates of depression, chronic disease and physical health problems. To this end, I request sufficient funding to allow expansion of ORH's efforts in rural and highly rural areas in order to ensure the unique needs of this population are being met.

B. Grants for State Extended Care Facilities

In the last several years, the weak economy, lower than anticipated tax revenues, and budget shortfalls had kept several states from providing funding necessary to qualify for Federal Grants for State Extended Care Facilities, commonly referred to as State

Home construction grants. Under this program, VA provides 65 percent of project costs while states are required to fund the remaining 35 percent. These limitations forced states to defer needed investments in State Homes, causing many previously proposed construction projects to be removed from VA's construction grants priority list.

The backlog of pending State Home construction projects grew exponentially, but increasingly, states are making this funding available. Importantly, the total Federal share for priority group one projects—those affecting life, safety and other urgent needs, and for which states have certified the availability of matching funding, has grown from \$257 million in FY 2013 to just over \$489 million in FY 2014. With only \$80 million requested for this program in the FY 2015 budget request, this backlog of priority group one projects is expected to increase in the coming years. Therefore, I recommend sufficient resources be provided to fully fund important projects through VA Grants for State Extended Care Facilities. Sufficient funding is necessary in order to move forward with design and to begin construction on the extensive list of State Home construction projects.

C. Major and Minor Construction, Leasing and Non-Recurring Maintenance

In the last several years, the President's Budget Requests have continued a trend of reducing funding for VA's capital asset construction and maintenance programs. VA's facilities are aging and facility utilization continues to grow, even as facility conditions continue to deteriorate. During the FY 2015 budget cycle, VA's Strategic Capital Investment Plan identified \$56 to \$69 billion in facility improvements that should be made over the next 10 years. However, VA has requested between \$1 and \$1.5 billion annually for construction and maintenance during each of the last four fiscal years. This funding level is clearly insufficient to meet the identified needs. Further, inadequate funding forces VA to defer maintenance, requiring more costly repairs in future years. Congress has not yet authorized 27 major medical facility leases that VA requested in FY 2013 and 2014.

Physical infrastructure plays a significant role in VA's ability to provide high quality care to veterans. I recommend that sufficient funding should be allocated to allow VA to construct, repair, or lease safe, high quality facilities.

D. Information Technology

Information technology plays an integral role in VA's transition into an innovative, outcomes-driven, veteran-centric organization. Work remains to achieve this goal, and information technology is an underpinning of each component of this initiative. VA's many information technology systems serve as the cornerstone of VA's efforts to move its operations into the 21st century.

Particularly significant among these efforts is the VA-Department of Defense (DOD) integrated electronic health record (iEHR), which will integrate health information from VA and DOD's separate electronic health record systems that will be designed to be interoperable based on open and joint standards and architecture. VA has chosen to modernize the Veterans Health Information Sys-

tems and Technology Architecture (VistA) as its core system for the iEHR while DOD has chosen to acquire a core system through the procurement process.

Both Departments must ensure that their decisions for future investments consider not only the short-term but also the long-term implications and costs of their choices. Moving forward, it is of paramount importance that sufficient resources be available to ensure that VA can pursue agile development of VistA in order to modernize the system in line with meaningful use and interoperability requirements. It is also of paramount importance that sufficient funding be available to ensure VA and DOD can achieve maximum interoperability of their electronic health record systems in order to achieve the best possible integration of their health data.

The importance of information technology cannot be understated as VA seeks to transform its delivery of care and benefits. Therefore, I will work to ensure that VA and its Agency partners are investing in appropriate information technology solutions, as demonstrated by sound business cases that fully consider the life-cycle costs of these investments. I recommend that adequate funding be provided to invest in the future through well-placed investments in VA's information technology programs today.

E. Employment and Training

Although unemployment rates for veterans and nonveterans have been improving, unemployment among our veterans, particularly younger veterans, is still of great concern. The VOW to Hire Heroes Act of 2011 established a significant new program, the Veterans Retraining Assistance Program (VRAP), requiring VA and the Department of Labor (DOL) to partner to provide eligible veterans age 35–60 with up to 1 year of retraining assistance for jobs in high-demand sectors. To date, more than 74,000 veterans have enrolled in a training program under VRAP. There is clearly an impact being made by this program. Legislation has been introduced in the Senate and House that would extend funding for specific provisions in that law which expired on March 31, 2014. I recommend future budgets include funding for the extension of these important provisions.

DOL also provides resources and services to help veterans succeed in the civilian workforce, including providing grants to states to support two principal positions in the American Job Centers. The Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVERs) provide intensive services and outreach to meet the needs of veterans. It is important that states continue to receive these grants and provide veterans these critical services at the local level.

The Transition Assistance Program (TAP) has been the primary method of disseminating critical information to transitioning servicemembers. I am pleased that VA, DOD, and DOL have worked together over this past year to update and revise the program to ensure that our newest generation of servicemembers and veterans are aware of available benefits and services. I will continue to evaluate the performance of these programs and the collaboration among the Federal agencies to ensure veterans across the nation are provided the opportunities they deserve.

Finally, demand for employment programs is high—as evidenced by the number of veterans who have come forward to take advantage of the VOW to Hire Heroes Act of 2011. It is my hope that future budgets reflect this demand and provide ample funding for opportunities for veterans, particularly our younger Post-9/11 veterans, in this area.

Employment Transition Program for Young Veterans. Private-sector businesses have shown an interest in hiring veterans, but often find that veterans who apply lack the experience or skills they require to compete with non-veteran candidates. Businesses have also expressed, as reasons for not hiring veterans, a perception that veterans need time to acclimate to the civilian world and should not be hired immediately after discharge from the military; a lack of understanding concerning how a veteran's military experience benefits a company and how an individual's military skills and experience translate to the job; and a perception that veterans have difficulty transitioning from a military structure to the culture of the civilian workplace.

According to the Defense Business Board, the transition process for servicemembers and exposure to the civilian job market is compressed and abrupt. A study conducted by Monster titled, *Veterans Talent Index*, released in 2012, found that the majority of veterans reported that they did not feel prepared to transition from military service to civilian life and finding employment as the greatest challenge during their transition. Other barriers reported by veterans regarding gaining employment included employers understanding their military skills and experience and their relation to a civilian job; finding a job that meets their needs and desires; finding a work environment where they feel comfortable; getting employers to contact them; and, applying their military skills in the civilian workplace. Furthermore, veterans reported tangible skills, such as writing, conducting research, and working with computers, as skills they would like to attain outside of the military.

According to the BLS report entitled, *Employment Situation of Veterans—2013*, the unemployment rate for our youngest veterans, ages 18–24, transitioning from the military, averaged 21 percent in 2013, compared to 14 percent for non-veterans between the ages 18–24. Additionally, veterans between the ages 18–34 represented 22.5 percent of the total of all unemployed veterans, yet comprised only 13.8 percent of veterans in the labor force. Furthermore, in 2013, the unemployment rate among post-9/11 veterans was 9.0 percent, while the unemployment rate for all veterans was 6.6 percent and non-veterans was 7.2 percent. More than half of all veterans that served post-9/11 were between the ages of 25 and 34. This trend continues into this year, with our youngest veterans encountering the most difficulty finding employment.

While it is important to ensure we provide programs to help veterans translate their military skills into the civilian sector, there remains a need to: equip veterans with civilian skills and experience necessary to meet the challenges of competing with those who have years of experience in the civilian workforce; find employers who understand military skills; and assist in helping them to readjust back to their local communities.

Additionally, DOD expects between 250,000 and 300,000 servicemembers to transition out of the military annually during the next

4 years. According to DOD, nearly one in five enlisted servicemembers separating from active duty have a military-learned skill that is not easily transferable to a civilian occupation. These servicemembers must be prepared to transition into a civilian career field that is different than their military occupation.

This program would require VA to establish a 3-year program to assess the feasibility and advisability of establishing a program to provide career transition services to eligible individuals. The program would be designed to provide transitioning veterans ages 18–30 with work experience in the civilian sector, increased marketable skills, and assist them in obtaining long-term employment. Under the program, VA would be required to place veterans in an internship on a full time basis with an employer from the private sector, including nonprofit organizations and small businesses. VA would be authorized to furnish pay and benefits to each eligible participant for the duration of the eligible individual's participation in the program.

Additionally, the program would require participants to perform qualified volunteer activities to help them readjust to their local community. Furthermore, to ensure veterans acquire basic workforce skills, VA would also be required to provide eligible individuals with workshops for the development of professional skills and conduct an assessment of a participant upon completion of such workshop to assess the participant's knowledge as a result of participating in the workshop. I recommend future budget resolutions provide the funding necessary for VA to establish and implement this employment program, which would provide important and necessary opportunities to assist our younger veterans transition to the civilian workforce.

F. Compensation Claims System Transformation

VA continues to pursue its goal of eliminating the disability claims backlog by 2015 and of providing a quality decision (98 percent accuracy) within 125 days of application for benefits. Over the past year, VA has made significant progress in addressing the claims backlog. For example, VA's budget submission highlights an 18 percent reduction in the pending inventory from 884,000 to 722,000 from July 2012 to September 2013. The backlog has been reduced by 32 percent (611,000 to 418,000) from March 2013 to September 2013. Further, both claim and issue based accuracy measures continue to rise. More recent Monday Morning Workload Report figures demonstrate continuing progress. As of April 7, 2014, the pending inventory of claims stood at 614,641 and the backlog has been reduced to 337,357 or 54.9 percent of the pending inventory. The Department must continue to take aggressive action to improve the timeliness of the claims adjudication process, without sacrificing the quality of decisions.

While VA has been making progress in addressing the rating claims workload, VA has seen a growth in other work pending at the regional offices. For example, the appellate workload pending at the regional offices has grown from 249,031 appeals on March 23, 2013 to 273,733 on April 7, 2014. Similarly, award adjustments, such as adding a dependent to an award, have increased significantly. As of April 7, 2014 there were 245,073 compensation dependency award adjustments pending, which is a growth of nearly

60,000 adjustments since March 23, 2013. VA must have the resources necessary to address the entire compensation claims workload.

Staffing. The President's budget requests \$2.49 billion for general operating expenses (GOE) of the Veterans Benefits Administration (VBA), which supports nearly 21,000 full time equivalents (FTE). This request is an increase of \$29 million over last FY's enacted amount. The President's budget request relies heavily on technology to continue addressing the claims backlog. For example, of the requested GOE amount, \$138.7 million is for the Veteran Claims Intake Program, VA's continuing effort to scan and digitize claims files and evidence. The President's budget requests \$36.3 million to support the people behind the Veterans Benefits Management System (VBMS) technology. Despite these investments, VA still has a long way to go before it will operate in a truly electronic environment—an environment that does not rely upon the scanning of huge volumes of paper or the electronic transfer of scanned images. As a result, VA's employees will continue to be the backbone of the claims system for the foreseeable future.

The President's FY 2015 budget request does not ask for additional employees to process claims. There is no doubt that mandatory overtime has had a significant impact on VBA's increased production. Further, VBA recently announced it will temporarily re-assign regional office employees with claims processing experience, such as supervisors and quality management specialists, to work on claims in order to account for early dismissals and closures due to weather. This temporary re-assignment, along with the impact of mandatory overtime, demonstrates VBA's reliance on staffing to address the backlog and calls into question whether VA's claims processing goals can be reached or maintained without additional personnel.

This is not the only evidence demonstrating the need for additional personnel to address the challenges of the compensation claims system. *The Independent Budget* for FY 2015, which is an annual budget and policy document developed by a number of veteran service organizations, recommends that "Congress authorize and approve funding to allow VBA to hire at least 1,000 new temporary claims processors in order to provide additional capacity to reduce the backlog and to develop highly qualified candidates to replace employees leaving through attrition." Joseph Thompson, a previous Undersecretary for Benefits at VA, echoed a similar theme in testimony before the Senate Veterans' Affairs Committee in March 2013. His opinion was also that VA needed more people to address the work pending at the regional offices.

Over the past several years, Congress has provided resources to increase the workforce responsible for claims processing to correspond with the growing workload. However, there has been little to no growth in the number of direct FTE supporting VA's claims processing efforts in the FY 2014 and FY 2015 requests. VA must continue to ensure appropriate staffing levels in order to provide timely and accurate claims decisions. As transformation efforts continue, the Administration must provide more detail on the impact of transformation on personnel and resource requirements. This includes information on the model used to allocate personnel and resources to regional offices. Further, VA must also measure not only

the number of claims completed per FTE, but also the number of issues completed per FTE. As claims continue to grow in complexity, VA must understand the amount of time it takes to address issues of differing levels of complexity and issue based measurement would allow greater insight into the personnel resources required to timely and accurately process compensation claims.

I recommend that adequate funding be provided to support the staffing levels necessary to produce more timely and accurate claims decisions. The committee will continue to monitor VBA's staffing requirements, claims production, and quality of decisions throughout FY 2014.

Transformation. VA's transformation efforts revolve around improvements in the areas of people, processes and technology. In addition to a number of temporary initiatives designed to target specific problem areas, VA is relying heavily on technology and specifically VBMS to transform the claims process into a more efficient paperless, and ultimately an electronic, system. As transformation continues throughout FY 2014, the Committee will look to the Administration to provide greater detail on the result of its transformation efforts and more comprehensive data on the resource requirements necessary for its continued support of these efforts to ensure VA's compensation claims system moves into the 21st Century.

I would request that appropriate funding be provided to support VA's dedicated workforce by providing funding levels that allow VA to continue transformation by providing its employees with the appropriate training, technology, and business process reforms necessary to produce more timely and accurate claims decisions.

G. Board of Veterans' Appeals

The Board of Veterans' Appeals (BVA) is responsible for making final decisions on behalf of the Secretary for the thousands of benefits claims presented for appellate review annually. Historically, BVA receives on appeal approximately 5 percent of all claims decided by VA. Given the increased production of claims decisions by VA over the past several years, it is anticipated that the number of appeals received by BVA will also continue to rise. VA's own projections support this assertion. The President's FY 2015 budget request projects that appeals received by the Board will increase 52 percent from 47,763 in 2011 to 72,786 cases by the end of 2015. Further, VA's Strategic Plan to Transform the Appeal Process provided to the Veterans' Affairs Committee at my request reports a pending inventory of approximately 350,000 appeals across VA.

BVA staffing levels must support not only the reduction of the large pending inventory but also address the continued growth in appeals. Failure to do so would result in the continued growth of the appeals backlog while doing little to ease the strain on veterans and other beneficiaries who continue to find themselves waiting far too long for final claims decisions.

As the Veterans' Affairs Committee continues to work with stakeholders, such as veteran service organizations, to build upon VA's plan, the Department must also continue to refine and build upon the efforts outlined in its self-described "preliminary plan." As the Committee continues to closely monitor BVA's caseload and whether ongoing processes and operational changes result in in-

creased and more accurate decisions, I recommend that future budget resolutions continue to provide sufficient funding to reduce the backlog of claims at BVA, decrease the average days to resolve an appeal, and further improve the quality of decisions.

H. Medical Follow-Up Agency

Section 603 of Public Law 108–183 required the Secretaries of Veterans Affairs and Defense to each provide the Medical Follow-Up Agency (MFUA) of the Institute of Medicine \$250,000 a year from 2004 through 2014 for epidemiological research on members of the Armed Forces and veterans. Funding has been used to facilitate research on military and veterans' health, including the long-term health effects of participation in project SHAD (shipboard hazard and defense).

Military personnel and veterans regularly contact MFUA for documentation gathered during research and studies that can be useful for medical care or disability claims. Without these funds, MFUA would be limited to quickly respond to the health information needs of active duty military and veteran populations. Therefore, I recommend \$250,000 over the President's FY 2015 budget request be provided to fulfill this shortfall.

I. Vocational Rehabilitation and Employment

VA's Vocational Rehabilitation and Employment (VR&E) Program provides counseling and rehabilitative services to disabled veterans. Further, VR&E operates the Vet Success on Campus program that provides critical outreach and counseling to student veterans. Over the past 5 years, VR&E's total caseload has generally increased each year. Although the number of vocational rehabilitation counselors (VRCs) has also increased during this period, the average caseload per counselor remains high at approximately 139 cases as of March 31, 2013. Further, a recent report by GAO, "VA Vocational Rehabilitation and Employment: Further Performance and Workload Management Improvements Are Needed," released in January 2014, found that veterans who work with a number of different VRCs over time are less likely to be successful in the program.

VA's current caseload target of one counselor for every 125 veterans is based on a study of the state vocational rehabilitation programs and not on VR&E's actual workloads. The January 2014 GAO report noted that the average ratio of cases to counselors vary considerably throughout the regional offices. Currently, VA's administration of VR&E is decentralized and regional offices implement various approaches to managing their caseloads. Further, the GAO report also noted that significant revisions have not been made by VA to the resource allocation model since fiscal year 2003. It is important that VA obtain data on how resources are being allocated and utilized across regional offices to ensure the VR&E program is being run efficiently and effectively. I recommend that VA assess its resource allocation models and gather information to determine an appropriate counselor ratio. I further recommend this information be used to determine the VR&E administrative budget and that funding be allotted to provide for additional counselors, as determined to be needed, to appropriately reduce the veteran to counselor ratio.

III. MANDATORY ACCOUNT SPENDING

A. Cost-of-Living Adjustment

Congress provides cost-of-living adjustments or COLAs for veterans' disability compensation and survivors' dependency and indemnity compensation to ensure these benefits keep pace with inflation. For a number of years, the cost-of-living adjustment applied to veterans' disability compensation and survivors' dependency and indemnity compensation was rounded down to the next lowest dollar.

For many veterans and their families, VA compensation may be the sole source of income and over the course of a veteran's lifetime, the effect of a COLA round-down can be substantial. Our nation's veterans deserve appropriate compensation, the value of which should not be reduced by inflation. The legal authority for the COLA round-down expired in 2013, and I recommend that future budget resolutions include sufficient funding to support cost-of-living adjustments that continue to reject the practice of round-ing-down.

On a related matter, I remain committed to protecting veterans' and survivors' benefits from any reductions based on the manner by which cost-of-living adjustments are calculated. To that end, I recommend that the Budget Committee reject the adoption of the Chained Consumer Price Index as a measure for use in COLA determinations.

B. Service-Disabled Veterans Insurance

I recommend sufficient funding be provided to update the Service-Disabled Veterans Insurance program to base premiums rates on the Commissioners 2001 Standard Ordinary Mortality Table instead of the 1941 Standard Ordinary Table of Mortality so that veterans would benefit from lower life insurance premiums.

C. Other Mandatory Programs

I remain concerned about the level of benefits paid to survivors, which remain at levels lower than other Federal survivor benefit programs.

IV. CLOSING

I thank the Budget Committee for its attention to my views and estimates on the Fiscal Year 2015 budget and 2016 advance appropriations requests for the Department of Veterans Affairs and matters within the jurisdiction of the Committee on Veterans' Affairs. I look forward to working with you to continue to meet the needs of those who have served our country.

Sincerely,

BERNARD SANDERS,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

BERNARD SANDERS, (I) Vermont, *Chairman*

JOHN D. ROCKEFELLER IV, West Virginia	RICHARD BURR, North Carolina, <i>Ranking</i>
PATTY MURRAY, Washington	<i>Member</i>
SHERROD BROWN, Ohio	JOHNNY ISAKSON, Georgia
JON TESTER, Montana	MIKE JOHANNNS, Nebraska
MARK BEGICH, Alaska	JERRY MORAN, Kansas
RICHARD BLUMENTHAL, Connecticut	JOHN BOOZMAN, Arkansas
MAZIE K. HIRONO, Hawaii	DEAN HELLER, Nevada

STEVE ROBERTSON, *Staff Director*

LUPE WISSEL, *Republican Staff Director*

